



Foreign Agricultural Service

**GAIN Report**

Global Agriculture Information Network

Required Report - public distribution

Date: 10/11/2001

GAIN Report #NL1071

## **The Netherlands**

## **Fishery Products**

## **Annual**

## **2001**

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### **Report Highlights:**

**In 2000, Dutch consumers spent US\$ 264 million on seafood. Per capita consumption is estimated to be 15 kg. Rising household spending on seafood has resulted in increased retail sales.**

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Includes PSD changes: No  
Includes Trade Matrix: No  
Annual Report  
The Hague [NL1], NL

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## Executive Summary

The Netherlands plays an important role EU seafood exports, taking second place after Denmark as the EU's major fish exporter. This is due to a number of different factors: its favorable location, a modern fishing fleet, a broad import and export network, and a substantial processing industry.

The Dutch feed manufacturer Nutreco is the world's largest producer of farmed Atlantic salmon, with a 20 percent world market share. Because of the rising demand for cod and increasing cod prices, Nutreco is entering the farmed cod market as well, buying a 56 percent share in the Norwegian Cod Culture Norway (CNN). It is expected that the first farmed cod for consumer use will enter the market in 2004.

Dutch consumers believe that seafood is a healthy, low-fat, disease-free food product, as opposed to meat, which has had several safety crises over the past five years. Per capita consumption reached an estimated 15 kilograms in 2000. Seen as an alternative to meat, and with domestic supply constrained by EU quotas, increased consumption is pushing up prices for many types of seafood. So far, these higher prices have not yet tempered consumer demand. In 2000, Dutch consumers spent US\$ 264 million on fish. Supermarkets are the most important sales outlets for fish, with a 60 market percent share in value of fresh fish, frozen fish and the canned fish market. On a value basis, fresh fish is the most important item accounting for 61 percent of total sales followed by frozen fish at 25 percent and canned/tinned fish at 14 percent. Supermarket sales are expected to continue to grow over the next five years, especially for fresh/frozen fish and convenience items such as frozen fish soup, seafood snacks (e.g. coated prawns), fish pate, and marinated seafood. Other products in demand are fresh/frozen squid, prawns, shrimp and soft shell crabs. Seafood consumers are seeking ease of preparation and attractive packages that are unique, clean, dry and are transparent.

The Netherlands imports a small volume of wild Alaska salmon from the United States, and the volume is declining. This decrease is due to the very large quantities of salmon currently available from lesser expensive suppliers, like China and Chile. Imports of U.S. canned salmon decreased 8 percent to 1,298 MT in 2000, compared to the previous year. This decrease could be the result of a smaller U.S. caught of salmon in 2000. Canada remained the number one supplier of canned salmon. According to the Alaska Salmon Marketing Institute, a considerable amount of Canadian salmon exports originate from the United States.

Due to the succession of EU meat crises and reports of high dioxin and PCB levels in North and Baltic seafood and high antibiotic residues in farmed fish, MSC-labeled Alaska seafood might have good market potential. Seen as an alternative to meat, and with domestic supply constrained by EU quotas, increased seafood consumption is pushing up prices for many types of seafood. So far, these higher prices have not yet tempered consumer demand. A new EU Program to increase fish stocks should also increase demand for imported varieties, for processing such as Alaskan Pollock.

Exchange Rate			
Year	U.S. \$	EURO	Dutch florin (guilder)
1999	1	0.94	2.07
2000	1	1.09	2.39
2001 First 6 months	1	1.14*	2.45*

## Production

The Dutch seafood sector offers a large variety of species and high quality products. The fishing sector uses modern harvesting methods and processing techniques. However, the Netherlands offers a limited fish variety of high value species and products, due to the way in which the fishing fleet has become specialized. The sector focuses on catching species that are fit for direct consumption. The fishing fleet is comprised of about 400 small inshore trawlers compared to 464 "cutters" in 1994 which fish for sole, plaice, cod and shrimp; 73 mussel cutters; and 16 deep-sea freezer trawlers which pursue herring and mackerel. Most of the time, the freezer trawlers operate in EU waters outside the North Sea and in the waters off Mauritania and Morocco. All catches are frozen directly on board. The most important species caught by the Dutch fishing fleet are sole plaice, cod, mackerel and Dutch specialties such as "matjes" herring, North Sea shrimp and "Zeeland" mussels. While the Netherlands had just 0.5 percent of the European fishing fleet in terms of trawler numbers in 1997, the country had some 7.5 percent of Europe's loading capacity. In 2000, 204,500 tonnes of fish were landed at Dutch auctions, with a value of US\$ 381 million.

It is obligatory for all fishermen to sell their landings via the auction. For a small country, The Netherlands has a considerable number of auctions: Breskens, Vlissingen, Yerseke, Colijnsplaat, Goedereede, Scheveningen, IJmuiden, Den Oever, Den Helder, Harlingen, Lauwersoog and Urk. Urk is the largest auction of the twelve with total landings of 40,741 MT in 2000. Most of the auctions are owned by the municipality in which they are located. The mussel auction at Yerseke is owned by the Dutch Fish Board, however, while the auctions of Den Helder, Den Oever and IJmuiden are private companies. All of the Dutch fish auctions use the latest electronic auction systems and are in the vanguard concerning new technologies and developments. According to Seafood International, several auctions have been collaborating recently to establish electronic auctions. Scheveningen, Colijnsplaat and Goedereede have joined United Fish Auctions. Urk and several others have started a more national grouping of auctions in which electronic auctioning and quality control play an important role. It is expected that within a couple of years all Dutch auctions will join forces. The centralization of landings, processing and transportation helps to keep the lines from producer to consumer short.

### **Fish Stocks, Support & Efficiency**

The European Commission regulates fish stocks by establishing annual quotas limiting the amount of fish caught by each member state. Biologists continually monitor the fish stocks and the EU adjusts the quotas depending on the stocks. Smaller stocks have allowed the EU to decrease quotas considerably this year. In addition, the European Commission accepted an agreement that countries which reduce their fleets in accordance with EU guidelines will benefit from more public money to replace existing vessels. The Netherlands favored a limited number of days trawlers can spend at sea to spread quotas across more fishermen, rather than reducing vessel numbers. The Dutch fleet is one of the smallest in Europe and the EU money is for modernizing older ships, while the Netherlands already has a very modern fleet. For example, the Dutch have been pioneering new methods of trawling which does not disrupt the seabed. According to the Dutch Fish Board, "Productschap Vis" the Dutch fleet has low operating costs due to their efficiency. The Netherlands is often accused of breaking EU quotas, however, and of failing to reduce the size of its fleet. The Dutch argue that the Commission uses inaccurate figures and that they have kept well within official quotas for the past five years.

The expectation is that catch rates of sole and plaice will decrease, due to new EU measures which would protect cod in the North Sea. Cod is caught as a result of trawling of sole and plaice. There is also concern about mussels, due to a shortage of mussel seed. It is not clear what the effects of these shortages will be for the next couple of years. In addition, traditional fish species like sole, plaice and cod are leaving the North Sea, while others are moving in. These movements are reportedly due to worldwide climate changes and the warming of the North Sea.

Most Important Quota Levels For the Netherlands (Metric Tons)					
	1998	1999	2000	2001	% change '00-'01
Sole ( <i>Tong</i> )	14,365	16,550	16,550	14,295	-13.6
Plaice ( <i>Schol</i> )	32,280	37,925	36,230	29,440	-18.7
Herring ( <i>Haring</i> )	59,310	59,325	56,036	55,246	-1.4
Cod ( <i>Kabeljauw</i> )	14,470	13,860	8,520	4,660	-45.3
Mackerel ( <i>Makreel</i> )	30,070	27,830	32,410	33,210	+2.5
Whiting ( <i>Wijting</i> )	3,730	2,185	985	1,330	+35

Source: Ministry of Agriculture, Nature Management and Fisheries

Dutch fleet owners have historically regarded fisheries as an international activity. According to Seafood International, the introduction of fishing quotas has emphasized the need for an international outlook. Owners of freezer trawlers and beam trawlers have, during the past two decades, invested in foreign fishing companies to meet standards of efficiency assure company's future. As fishing quotas are allocated on a national basis, international companies can combine different national fishing quotas to make larger scale operations possible.

### Dutch Policy

Because of extremely high diesel prices in 2000, expenditures for fuel doubled for fishing ships, compared to the previous year. In 1999, a large ship used approximately US\$ 242 million of fuel, while it rose to US\$ 437 million worth of fuel in 2000. Total value of the Dutch catch decreased 5 percent to US\$ 267 million, compared to 1999. As a result, the Dutch government decided in September 2000, that the fishing sector would be compensated with a once-only grant of US\$ 13 million. For each of the 1,800 Dutch fishermen of the Dutch cutter fleet US\$2,464 has been made available. The funds have not been distributed, however, because they are linked to:

- 1) EU subsidized fleet reduction rules, which have been in effect since January 1, 2001, that provide more public money to replace existing vessels if Member States reduce their fleets;
- 2) Direct compensation for the contribution Dutch fishermen have to make toward social security;
- 3) Subsidized research on fish stocks and fishery methods for large Dutch trawlers which fish along the coast of Mauritania on Africa.

Another US\$ 13 million is reserved for the 2001-2004 period for “changing market circumstances,” like rising fuel prices. Again, the grant is dependent on conformity with the following EU rules:

- 1) Further subsidized fleet reduction;
- 2) Subsidized development of fishery methods which do not disturb the seabed and are species selective;
- 3) Tax deduction for catch methods which correspond with Dutch environmental legislation;
- 4) Other regulations which strengthen the Dutch fishery sector and support the ecosystem.

For implementation of the regulations mentioned above, an approval by the European Commission is needed first. Therefore, the European Commission has set up an official investigation on unlawful state support. The consequence could be that Dutch fishermen would have to return the money which they received from the Dutch government as "fuel compensation."

### **The EU Common Fisheries Policy**

On January 24, 2001, the European Commission adopted short-term emergency measures aimed at preventing all cod catches within an established area. The decisions represent the first set of measures in a three-stage program being developed with the industry, scientists and Member States. The direct objective of the measures adopted was to enable the largest possible number of adult cod to spawn between February 14 to May 1<sup>st</sup>, 2001. During this period, in the areas concerned in the North Sea, West Scotland and the Irish Sea, all fishing activity likely to result in catches of cod were prohibited. Some fishing that is not threatening to cod was still allowed, but was subject to a number of control measures. In the North Sea pelagic and sandeel fisheries were authorized but were monitored by observers on board vessels during fishing or during landing. As a result, the quotas of sole and plaice, which are the backbone of the Dutch fishing industry, were cut because cod is caught in the nets as well. Therefore, the Dutch fishing industry refused to accept the low EU cod quotas. According to the Dutch, the emergency measures unfairly hit the Dutch sole and plaice industry. On June 12, 2001, however, the European Commission introduced new proposals to protect cod. The quota for cod has to be reduced by 40-50 percent. In addition, the quotas for fish species which have cod as well, like sole and plaice, have to decrease as well. It is expected that the new proposal will be adopted in spring 2002.

One of the key issues facing the Dutch fishery industry is the future of seafood supplies. The industry is also concerned about environmental issues and the discussions regarding the "Green Paper on the future of the Common Fisheries Policy" which was adopted by The European Commission in March 2001. This consultation document is aimed at initiating a debate about the future of this policy after 2002. The Green Paper sets out four priorities which constitute the fundamental objectives for reform of the Common Fisheries Policy (CFP):

1. Improving the conservation of resources and the protection of marine ecosystems
2. Increasing the participation of all those concerned in decision-making
3. Securing an economically viable and self-sufficient fisheries sector
4. Promoting sustainable fisheries beyond Community waters

According to Seafood International, the discussion regarding the revision of the CFP may affect conditions for the fisheries industry and the structure of the fishing fleet. First, they may affect certain fisheries and could lead to further reductions in landings. Second, they may also change consumer demand in terms of preference of certain fish species and/or additional regulations related to consumer information or private initiatives for labeling. Discussions about eco-labeling are long past the initial stage and the Marine Stewardship Council's logo scheme, for instance, is one of the initiatives already affecting the market. Food safety is another matter that will have a great impact on the food processing industry in general. New regulations can be expected. Processors will have to introduce and maintain safety, tracking and tracing procedures. This will have logistical and economic consequences and will make it necessary for companies to upgrade skills and procedures.

## **Fish Processing Industry**

At present, the economic importance of the fishing industry is predominantly in fish processing. The Dutch fish processing industry consists of some 400 companies, but a large portion of the activity is concentrated within about 50 of the largest companies. Most of the companies have specialized in the processing and distribution of a few specific products. The Dutch fish processing industry can be divided into several sub-divisions.

### **Flatfish Processing**

The most important fish processing companies are involved in filleting flat fish and processing shellfish. In the Dutch flatfish sector, more than 90 percent of the turnover is earned through exports, mainly to Italy and Spain. Prime products are frozen plaice and fresh sole. The port of Urk in the north is the main location for the Dutch flatfish industry. With the largest and most modern fish auction and the majority of flat fish processing plants, it represents about 24 percent of total turnover in the Dutch fish processing industry. Except for several specific filleting plants, most companies combine a number of activities from basic processing, freezing and packaging, to the production of value added products. The flatfish processing industry constitutes almost 25 percent of total Dutch fish processing industry volume.

### **Processing Shellfish**

The shellfish industry processes mussels, cockle and oysters and is located at the port of Yerseke in the South near Belgium. The shellfish processing plants produce fresh, frozen, marinated, preserved and ready-to-cook mussels. The largest export market for these products is Belgium. Mussels for the retail market are custom packed leak proof, vacuum packed, jars, sacks or polybags. The shellfish processing industry represents another 25 percent of the volume of the Dutch fish processing industry. About 15 percent of the volume is taken by the processing of herring and other pelagic fish.

Only one third of the fish that is processed in The Netherlands is caught and landed by the Dutch fleet. The remainder is imported from all over the world. Thus, a wide range of products is available on the Dutch market. A large number of seafood processing companies have recently become more consumer-oriented, putting more emphasis on quality control, which is an overriding consumer concern these days. Most Dutch seafood products are consumed in other EU countries.



**Dutch Processors Expand Internationally**

Several seafood processing companies have invested in facilities in other countries because of their need for raw material. According to Seafood International, having processing or logistic facilities close to landings places in other countries reduces the dependency on Dutch domestic supplies. Other reasons for basing production facilities abroad can include legal and/or economic advantages. For example, Dutch firms that buy North Sea shrimps have them peeled in Morocco. Investments have been made in Iceland, Denmark and the U.K., as well as a number of other countries. Several important importers of tropical and exotic fish species run operations in third countries. These products are mostly finished products imported into the EU.

**Dutch Largest Farmed Salmon Producers**

The buy-out of Norway's Hydro Seafood last year made the Dutch feed manufacturer Nutreco the world's largest producer of farmed Atlantic salmon with a 20 percent world market share. In 1999, Nutreco purchased the Scottish competitor Marine Harvest. Besides Scotland and Norway, Nutreco also has facilities in Chile, Canada and the United States, the other large production regions for farmed salmon. The consumer markets in Europe and the US are served by almost 200 fish farms. In 2000, the company's turnover was US\$ 2.75 billion, of which 55 percent account for aquaculture. Because of the rising demand for cod and increasing cod prices, Nutreco is entering the farmed cod market as well. The company has taken a 56 percent share in the Norwegian Cod Culture Norway (CNN). It is expected that the first farmed cod for consumer use will enter the market in 2004.

**Safety Concerns Addressed**

In January 2001, a British study revealed excessive levels of dioxin and PCB's in farmed salmon. The industry has been criticized before for the excessive use of antibiotics and the environmental impact of intensive fish farming methods. Nutreco, however, stated that the company had already taken steps to reduce dioxin and PCB levels in its fish feed and farmed fish in anticipation of expected measures by the European Union. Since the highest levels of PCB's are found in the North Sea and the Baltic, Nutreco now uses fish meal and fish oil from Pacific sources, as well as from Icelandic and Norwegian sources. These sources contain relatively low levels of dioxin and PCBs. According to Nutreco, farmed salmon is healthier than wild salmon due to the controlled environment. Although the study mentioned above got a lot of negative publicity, the consumption of farmed salmon has continued to rise. Also, a report of the World Wide Fund for Nature (WWF) about the endangered wild salmon, due to the escape of ten of thousands of farmed salmon from their floating cages had no effect on consumption.

In the future, Nutreco would like to produce more higher priced value added products, like filets or sushi. At the moment, about 60 percent of Nutreco's farmed fish is sold to large supermarket chains throughout the world. Because of farming, fresh fish is available the whole year through.

**Sustainable Fisheries**

The New Zealand Hoki fishery has gained recognition for its sustainable practices following an independent certification of the standards set by the Marine Stewardship Council (MSC). Unilever has for some years recognized the need for a shift in the management of natural resources towards conservation and sustainability, and has made a public commitment to work with suppliers to move towards buying all its fish from sustainable fisheries by 2005. New Zealand Hoki is the second species with the MSC-logo in Unilever's portfolio. Alaskan Salmon carrying the logo was launched in Switzerland late last year.



In 1996, Unilever and the World Wide Fund for Nature (WWF) jointly set up the Marine Stewardship Council as a platform to promote sustainable fishing internationally. Since 1999, the Marine Stewardship Council has been an independent, non-profit, non-governmental body with a set of principles and criteria for sustainable fishing.

Since July 2001, the Dutch/British company, Unilever, the world's third largest food company with US \$4.666 billion sales in 2000, has offered Dutch consumers sustainable fished New Zealand Hoki in its frozen fish sticks. The Netherlands is the first country where Unilever fish sticks with an MSC-logo are sold. In The Netherlands, fish sticks account for 40 percent of Unilever's fish assortment. Some thousands of tons Hoki per year are needed for the production of fish sticks. Fish sticks from Unilever are sold in twelve European countries. According to the Product Board for Fish, total Dutch sales of fish sticks increased 3 percent in 2000, relative to 1999.

## **Consumption**

According to Seafood International, there has been a steady increase in Dutch seafood consumption over the last ten years. Consumption in restaurants has risen 16 percent in volume, while consumption at home has increased only 2 percent. In 2000, per capita annual consumption was estimated at 15 kg. Dutch consumers spent US\$ 264 million on fish. According to the Dutch Fish Marketing Board, in 2000 Dutch consumption of seafood decreased 5 percent in volume but increased 5 percent in value compared to the previous year. It seems that the markets for meat and poultry are saturated. Therefore, competition for seafood products is increasingly from vegetarian products. Promotional campaigns carried out by the Dutch Seafood Product Board promote seafood as a healthy low-fat product in the wake of much negative publicity surrounding meat (as a result of BSE, swine fever and dioxin).

## **Per Capita and Major Species**

In 2000, 65.5 percent of Dutch households consumed fresh fish, while approximately 90 percent consumed seafood in general, including fish products. On average, Dutch households consume seafood 9.3 times per year compared to 8.3 times in 1998. On a value basis, fresh fish is the most important seafood consumed, accounting for 61 percent of total sales, followed by frozen fish at 25 percent and canned/tinned fish at 14 percent. In 2000, Dutch households spent US\$ 40 per year on fish, US\$ 35 of which is fresh fish. The main product groups within the fresh fish segment are raw fish with a 26 percent market share, fried fish (18 percent), smoked fish (19 percent) and salted herring (16 percent). Gainers in turnover are smoked fish (+ 10 percent), raw fish (+ 9 percent) and salted herring (+8 percent).

## **Sales Continue to Rise**

Sales of fresh fish are still growing, especially for raw salmon and smoked salmon. It is expected that the growth in turnover for both products will continue for the next couple of years. In 2000, the turnover of raw salmon increased 10 percent, due to increased sales of salmon filets. Sales of smoked salmon grew 8 percent. Supermarkets account for most sales of smoked salmon. The turnover of cod also increased 8 percent, despite a decrease in volume. Due to the scarcity of cod, the price per kg was very high in 2000. According to the World Nature Fund, the scarcity is due to over-fishing, increasing sea-water temperature and pollution. Cod is popular in the Netherlands, like the United Kingdom, where it is used for *Kibbeling* and *Fish and Chips*, respectively. Raw cod and raw salmon have an equal market share of 27 percent of the total fresh fish market. Supermarkets account for 37 percent of total expenditures on fresh fish. In 2000, the turnover of canned fish declined slightly, especially for canned salmon and canned herring. The turnover of canned tuna increased. Because of a larger supply of fresh tuna and increasing interest in tuna recipes by the Dutch media, further growth is expected.

Tuna and salmon together have a 70 percent market share for canned fish. Supermarkets have a 95 percent share of total expenditures on canned fish. While the share of canned products is declining, frozen fish is becoming more popular, with turnover rising 8 percent in 2000. This is especially the case for frozen salmon, frozen cod, fish sticks and innovative convenience products. A further increase in turnover is expected. Supermarkets account for more than 90 percent of total expenditures on frozen fish.

**Seafood Top-10**  
(turnover 2000 compared to 1995)

1.	Salted Herring	+ 25%	6.	Cod	- 2%
2.	Smoked Salmon	+ 259%	7.	Mussels	+ 69%
3.	Salmon filet	+ 168%	8.	“Kibbeling” (Fried Shellfish)	+ 24%
4.	“Lekkerbek” (Fried Cod Filet)	+ 33%	9.	Smoked Eel	+ 33%
5.	Shrimps	+ 53%	10.	Smoked Mackerel	+ 94%

Source: GFK Nederland (Note: these are general consumer preferences. Supermarkets have a slightly different ranking)

In The Netherlands, people over 50 with high incomes are the main consumers of seafood. In general, they mainly buy fresh fish to prepare at home, while younger people look for convenience first. It is expected that good potential exists for convenience products, such as fish soup, fish stew, seafood snacks (e.g., fish sticks and coated prawns), fish pate, and marinated seafood. Other products in demand are fresh/frozen squid, prawns, shrimps and soft shell crab. Seafood consumers want easy preparation and attractive packages that are unique, clean, dry and reveal the product.

### Private Label

The private label seafood market in the Netherlands is significant and growing. Many shoppers would like to see a wider variety of private label products in supermarkets. In 2000, private label frozen fish had a relatively large market share of 20.4 percent in volume and 21.9 percent in value. Private label canned fish, however, only had a market share of 4.3 percent in volume and 2.7 percent in value. Private label chilled fish products had a market share of 13.8 percent in volume and 29 percent in value. While private labels hold a significant share of the seafood market, there is a clear trend toward growth of appealing brands.

<b>Private Label Market for Seafood</b> (in percentages)						
<b>Fish Products</b>	<b>Volume</b>			<b>Value</b>		
	<b>1999</b>	<b>2000</b>	<b>change '99-'00</b>	<b>1999</b>	<b>2000</b>	<b>change '99-'00</b>
Frozen fish	18.2	20.4	2.2%	20.5	21.9	1.4%
Canned fish	4.2	4.3	0.1%	2.8	2.7	-0.1%
Chilled fish products	13.3	13.8	0.5%	30.3	29.0	-1.4%

Source: PLMA International Council, 2001

### Supermarket Sales High but Quality is Poor

Dutch supermarkets have steadily increased their share of seafood sales at the expense of fishmongers and open-air markets. In 2000, supermarkets accounted for 60 percent of the value of fresh, frozen and canned fish sales up from 53 percent in 1996. Open-air markets and seafood retailers have market shares of 18 and 16 percent, respectively. Canned and frozen products are sold almost exclusively by supermarkets, while fresh products are sold through a variety of retail channels. Different types of retailers sell different products. For example, seafood markets sell almost all of the salted "matjes" herring. Also, most seafood shops and open market sellers have deep-frying facilities so they are able to serve ready-to-eat fried fish products. According to Seafood International, the smaller retailers are steadily disappearing as their aging owners retire. The remaining ones, are investing in more multi-purpose retail outlets that offer specialist services, such as restaurant facilities. These outlets are popular with seafood enthusiasts. Consumers who only occasionally eat seafood find enough choice in the supermarkets. Consumers who eat seafood frequently are on average older and more affluent than occasional buyers.

<b>Distribution Channels for Seafood</b> Market share in value			
	<b>1999</b>	<b>2000</b>	<b>2001</b>
Specialty Shops	18%	17%	16%
Open Air market	19%	18%	18%
Supermarkets	58%	60%	60%
Other	5%	5%	6%
<b>TOTAL</b>	100%	100%	100%

Source: GfK Nederland, Nederlands Visbureau

According to the Dutch Fish Marketing Bureau, retail sales of fish totaled US\$ 184 million in 2000. About US\$ 63 million was spent on fresh fish and US\$ 67 million was spent on frozen and canned fish. According to the Dutch Consumer Organization (De Consumentenbond), the quality of fish sold in supermarkets is relatively low, due to inadequate training and knowledge of the products. Buyers would like to have more advice on fish in supermarkets. In cooperation with some fish processing firms, like Profish, supermarket chains are training their employees to address these concerns. At present, the most important supermarket chains in terms of fresh fish sales are Konmar, Albert Heijn, Lidl, Aldi and Nieuwe Weme. In general, seafood constitutes 1-2 percent share of total supermarket turnover.

Over the next five years, sales through supermarkets are expected to expand even more, particularly sales of fresh/frozen and convenience items. Products with potential that can be supplied by the United States include fresh/frozen squid, prawns, shrimp and crab. Examples of convenience items in demand include frozen fish soup, snack/finger foods, fish pate, and marinated seafood.

## Food Safety

In August 2001, a Dutch company in Urk recalled 31 tons of deep frozen, raw Chinese shrimp. The shrimp reportedly contained cancer causing antibiotic residues. The German Inspectorate for Health Protection and Veterinary Public Health discovered the residue and notified the Dutch. The shrimp was mainly distributed within The Netherlands, but also exported to Germany, Austria and Sweden.

In August 2001, the Dutch media reported that plaice, cod and halibut were being imported from the region in the Barents Sea where the Russian nuclear submarine Kursk had sunk. In The Netherlands, there are no regulations requiring origin labeling.

## Price

In 2001, farmed salmon prices decreased more than 20 percent, due to a 60 percent increase in Chilean production of farmed salmon. As a result, the supply of farmed salmon increased faster than demand. Because of very low salmon prices and its neutral taste, the consumption of salmon is increasing rapidly. In The Netherlands, salmon is sold as filets, sushi's, burgers, cutlets, slices, marinated, stuffed etc. According to Nutreco, the world's largest producer of farmed Atlantic salmon, worldwide consumption of farmed salmon is expected to increase 22 percent in 2001. A 15 to 10 percent increase is expected in 2002 as well as better prices. Because of the soft texture of farmed salmon, it is mainly used in the production of smoked salmon and salmon filets. Canned salmon is often made of wild salmon with a firmer texture. Lower catches and increased demand for quality products (good color, no skin and less juice) has resulted in good prices for U.S. canned salmon.

Average Import Prices for Canned Salmon (in US \$ / Kilogram)				
Country of Origin	1997	1998	1999	2000
U.S.	2.56	3.65	3.81	3.71
Canada	3.45	4.29	3.66	2.53
Thailand	2.06	2.31	2.10	2.17
Malaysia	2.30	2.37	2.12	1.80
South Korea	2.64	2.37	2.16	1.78
Exchange Rate 1\$=	1.68	1.95	2.07	2.39

Source: Central Bureau for Statistics

<b>Annual Dutch Expenditures on Seafood per Household</b> (in millions)			
	<b>Dutch Guilders</b>	<b>US\$ equivalent</b>	<b>Change '95-'00</b>
	<b>2000</b>	<b>2000</b>	<b>2000</b>
Fresh / Crustaceans	385	161	49%
Frozen	159	67	39%
Canned	87	36	5%
Total	631	264	39%

Source: GfK Nederland

## Trade

The Dutch seafood sector is predominantly driven by foreign trade. Therefore, the sector takes into account the considerable differences between EU member states regarding consumer preferences.

<b>Differences between EU member states regarding consumer preferences</b>	
'	Per Capita Consumption.
'	Quality.
'	Preparation.
'	Preferred species.

Source: Eurofish, 2000

The annual export value of US\$ 1.7 billion implies that about 70 percent of wholesale turnover is from abroad. About 80 percent of the total supply of fish (landings and imports) is exported. The most important markets for Dutch seafood exports are: Germany (19%), Belgium (18%), France (15%), Italy (13%) and Spain (9%). Italy is the main market for plaice and sole, while Belgium is the main market for shrimp and mussels. Besides The Netherlands, Germany is almost the only country where the "matjes" herring is a favored product. In 2000, Dutch seafood exports remained the same in volume, but increased 14.6 percent in value, compared to the preceding year. This means that the increase in value is due to higher seafood prices.

Most of the fish processed in the Netherlands comes from abroad. Within the EU, Germany, France, the United Kingdom and Denmark are the most important countries from which the Netherlands imports seafood. Norway is the most important non-EU member supplier. Outside Europe there are several Asian and African countries from which ever-increasing volumes of different species are imported. At present the value of imports is about US\$ 1.2 billion, which is three times the value of the Dutch landings (US\$ 460 million). In 2000, Dutch seafood imports increased 17 percent in volume and 26 percent in value, relative to the previous year. This increase is mainly due to increasing imports from countries outside the EU. Due to the rapidly changing demographics in The Netherlands, there is demand for many products that until quite recently were unavailable. According to Seafood International, small, specialist importers with their own commercial channels import some of these products. Because of this, it is difficult to provide accurate estimates of total specialty imports.

Despite its relatively small fishing fleet, The Netherlands is among the top seafood exporters and importers in the world. The Netherlands is the second largest seafood exporter in the European Union after Denmark. This position appears to be strengthening in view of continuing EU Member State economic integration. Especially since import of fish products via Rotterdam from other parts of the world is increasing significantly.

<b>The Netherlands: Seafood Imports &amp; Exports</b> (Weight in Tons/Value in 1,000 Dfl.)				
<b>IMPORTS</b>	<b>1999</b>		<b>2000</b>	
	<b>Weight</b>	<b>Value</b>	<b>Weight</b>	<b>Value</b>
Fresh fish	110,480	640,786	110,083	621,446
Frozen fish	314,327	620,494	394,322	872,669
Preserved fish	16,951	120,007	26,279	244,612
Fresh crustacean & molluscs	45,251	155,409	42,541	165,278
Frozen crustacean & molluscs	23,694	270,409	31,658	420,907
Prepared fish	69,813	495,234	77,125	570,761
<b>TOTAL</b>	<b>580,517</b>	<b>2,302,339</b>	<b>682,008</b>	<b>2,895,675</b>

<b>EXPORTS</b>	<b>1999</b>		<b>2000</b>	
	<b>Weight</b>	<b>Value</b>	<b>Weight</b>	<b>Value</b>
Fresh fish	62,288	727,735	59,336	669,928
Frozen fish	532,630	1,364,274	540,693	1,666,005
Preserved fish	24,674	187,555	27,332	229,186
Fresh crustacean & molluscs	74,404	284,807	79,080	387,853
Frozen crustacean & molluscs	29,337	234,873	39,983	409,890
Prepared fish	95,043	841,868	75,663	810,965
<b>TOTAL</b>	<b>818,374</b>	<b>3,641,112</b>	<b>822,087</b>	<b>4,173,827</b>

Source: LEI/ Visserijcentrum



<b>Most Important Import &amp; Export Markets</b> (Million Guilders)			
	<b>1998</b>	<b>1999</b>	<b>2000</b>
<b>Import Total</b>	<b>2,243</b>	<b>2,302</b>	<b>2,897</b>
of which: EU	1,228	1,350	1,446
U.S.	28	34	38
Norway	67	72	42
Poland	23	33	36
Canada	50	34	37
Nigeria	36	31	59
Thailand	97	45	54
China	34	29	60
<b>Export Total</b>	<b>3,426</b>	<b>3,641</b>	<b>4,173</b>
of which: EU	2,825	3,006	3,427
U.S.	45	44	47
Switzerland	56	52	71
Poland	25	26	N.A.
Nigeria	123	158	176
Japan	71	76	91
Exchange Rate: 1 US\$ =	1.98	2.07	2.39

Source: Central Bureau of Statistics, LEI/ Visserijcentrum

### U.S. Salmon

The Netherlands imports a small volume of wild Alaskan salmon, and the volume is declining. This decrease is due to the very large quantities of salmon currently available from less expensive suppliers, like China and Chile. The majority of frozen Alaska salmon imported into the Netherlands is used for smoked salmon.

Imports of U.S. canned salmon decreased 8 percent to 1,298 MT in 2000, compared to the previous year. This decrease could be the result of a lower U.S. catch of salmon in 2000. U.S. salmon had a 27 percent market share. Canada remained the number one supplier of canned salmon with a market share of 53 percent in 2000. Imports of canned salmon from Canada increased 13 percent from 2,257 MT in 1999 to 2,550 MT in 2000. According to the Alaska Salmon Marketing Institute, considerable shares of Canadian salmon exports originate from the United States.

**PSD - Salmon, Canned**

PSD Table						
Country	Netherlands					
Commodity	Salmon, Canned				(MT)	
	<b>Revised</b>	<b>1999</b>	<b>Preliminary</b>	<b>2000</b>	<b>Forecast</b>	<b>2001</b>
	<b>Old</b>	<b>New</b>	<b>Old</b>	<b>New</b>	<b>Old</b>	<b>New</b>
Market Year Begin		<b>01/1999</b>		<b>01/2000</b>		<b>01/2001</b>
Beginning Stocks	75	75	30	30	0	56
Total Production	0	0	0	0	0	0
Intra-EC Imports	302	302	350	335	0	353
Other Imports	3,948	4,234	3,600	4,466	0	4,578
TOTAL Imports	4,250	4,536	3,950	4,801	0	4,931
<b>TOTAL SUPPLY</b>	<b>4,325</b>	<b>4,611</b>	<b>3,980</b>	<b>4,831</b>	<b>0</b>	<b>4,987</b>
Intra-EC Exports	146	143	140	82	0	150
Other Exports	5	11	0	10	0	15
TOTAL Exports	151	154	140	92	0	165
Domestic Consumption	4,144	4,427	3,840	4,383	0	4,340
Other Use/Loss	0	0	0	300	0	400
TOTAL Utilization	4,144	4,427	3,840	4,683	0	4,740
Ending Stocks	30	30	0	56	0	82
<b>TOTAL DISTRIBUTION</b>	<b>4,325</b>	<b>4,611</b>	<b>3,980</b>	<b>4,831</b>	<b>0</b>	<b>4,987</b>

*Due to the elimination of EU intra-border controls, intra-EU trade statistics are no longer gathered through customs declarations. The Dutch Central Bureau of Statistics (CBS) now depends on direct reports from importers and exporters on intra-EU movement of goods. Companies with a relatively small trade volume have been exempted from this trade reporting requirement. However the response of importers and exporters has been such that intra-EU trade statistics are not complete. The reporting system on trade with non-EU countries has not changed. Therefore, it is difficult to derive consumption figures based on import and export figures.*

**Trade Matrix**

<b>Import Trade Matrix</b>			
Country	Netherlands		
Commodity	Salmon, Canned		
Time period	CY	Units:	Metric Tons
Imports for:	1999		2000
U.S.	1,417	U.S.	1,298
Others		Others	
EU	302	EU	335
-Belgium/Lux	132	-Belgium	232
-U.K.	88	-U.K.	39
-Greece	76	-Germany	47
Canada	2,257	Canada	2,550
Thailand	115	Thailand	150
Russia	76	Russia	307
Indonesia	44	Indonesia	23
South Korea	158	South Korea	79
Malaysia	140	Malaysia	14
Total for Others	3,092		3,458
Others not Listed	27		45
Grand Total	4,536		4,801

<b>Export Trade Matrix</b>			
Country	Netherlands		
Commodity	Salmon, Canned		
Time period	CY	Units:	Metric Tons
Exports for:	1999		2000
U.S.	1	U.S.	
Others		Others	
EU	143	EU	82
-France	39	-France	15
-Belgium/Lux	69	-Belgium/Lux	55
-Ireland	13	-Ireland	-
-Denmark	14	-Denmark	9
Malta	6	Malta	-
Singapore	2	Singapore	6
Dutch Antil	2	Dutch Antiles	2
Total for Others	153		90
Others not Listed	0		2
Grand Total	154		92

## Marketing

### Market Opportunities and Competition

Because of the recent European meat safety crises, rumors about high dioxin and PCB levels in North Sea and Baltic Sea fish and about high residue levels of antibiotics in farmed fish, the market potential for MSC-labeled Alaska seafood is good. Seen as an alternative to meat, and with domestic supply constrained by EU quotas, increased fish consumption is pushing up prices for many varieties. So far, these higher prices have not yet slowed consumer demand. A new EU Program to raise fish stocks should also increase demand for imported varieties, like Alaskan Pollock, for processing. Consumer education featuring the taste, purity, versatility, health and nutritional benefits of MSC-labeled Alaska seafood might be a good tool to encourage consumption of Alaska seafood products. However, seafood faces increasing competition from meat substitutes, like soya foods. This should also be taken into account when planning promotions.

At the moment, Dutch consumption of fresh salmon (especially smoked salmon) and frozen salmon is increasing, while the consumption of canned salmon is decreasing. A public relations program that encourages consumers to think of canned salmon as a versatile product that may be used in a variety of ways could increase consumption of canned salmon. Since Dutch seafood consumers want easy preparation and attractive packages that are unique, clean, dry and transparent, ready-to-prepare fish meals offer good opportunities. Therefore, new product development among the E.U.'s many processors should be encouraged. In order to capitalize on consumer demand for "typical American foods," trade contacts suggest that U.S. exporters should consider packaging that readily identifies their product as U.S.-origin. Retail packaging should always be "attractive" and, to the extent possible, the product should be visible. U.S. origin and quality statements on labels and promotional materials are also recommended.

U.S. firms that wish to supply seafood to the European market might consider the benefits of using The Netherlands as a starting point. More than half of the E.U.'s consumers live within a 100-mile radius of Rotterdam, the world's largest port. In addition, the Dutch have a very efficient and highly-developed distribution system in neighboring countries. Almost 50 percent of U.S. exports to The Netherlands are transshipped to other E.U. countries, either directly or after further processing.

### Trade Shows

Participation in a trade show is an excellent way to find a Dutch importer. The most important seafood trade show for the entire European market is the annual European Seafood Exposition held every spring in Brussels, Belgium. At this show national pavilions from almost every European country and their buyers are represented. For more information, please contact:

#### European Seafood Exposition

5 Milkstreet  
P.O. Box 7437  
Portland, Maine 04112-7437  
U.S.A.  
tel. (207) 774-0076  
fax. (207) 772 5059

### Advertisements

Advertisements in trade journals and magazines are also an effective way to capture the attention of the trade. The major trade publications are:

Name	Circulation	Address	Tel./fax.	Editor
<b>VISMAGAZINE</b>	2,000 Monthly	P.O. Box 84232 2508 AE The Hague	Tel. 31-70-3524241 Fax 31-70-3525114	Mr. T. Borghouts
<b>VISSERIJNIEUWS</b>	3,800 Weekly	P.O. Box 29 8320 AA Urk	Tel. 31-527-689181 Fax 31-527-689199	Mr. J. Wildenberg

### Promotion

The Dutch Fish Marketing Bureau "Nederlands Visbureau" has recently conducted campaigns to increase seafood consumption. They have initiated television and radio advertisements and distributed flyers informing consumers of the health benefits of seafood and new ways to prepare different species. In spring 2001, the Dutch Fish Marketing Bureau launched a large promotion campaign "fish every day" to increase Dutch fish consumption, especially by people under 49 who are infrequent consumers. As part of this campaign, Dutch consumers can get many recipes from the website: [www.tijdvoorvis.nl](http://www.tijdvoorvis.nl). The Dutch Seafood Marketing Bureau has plans to link its website to other websites. It might be helpful for U.S. seafood marketing institutes to participate in this promotional campaign. Contact information for the Dutch Seafood Marketing Bureau is on page 18.

At the moment, cod and salmon are listed in the Dutch seafood top-10 as warm dinner entrees. It is desirable that these two species would be extended with another specie, like plaice. According to the Dutch Seafood a promotional campaign to increase consumption of plaice will begin soon. As part of this campaign, Dutch consumers will be offered many recipes in a variety of Dutch food and home related magazines.

The market leader in the Dutch canned seafood market has reportedly redesigned its product range to increase sales. In addition, they have introduced three new products. The "John West" brand has a 33 percent market share of the Dutch canned seafood market which was valued US\$ 37 million in 2000. The company is especially strong in canned red salmon, canned pink salmon and canned tuna.

## Addresses

For detailed trade information on the trade in seafood, please contact the following organizations:

### Product Board for Fish

Mr. G. van Yperen  
P.O. Box 72  
NL-2280 AB, Rijswijk  
The Netherlands

Tel: +31.70.3369600  
Fax: +31.70.3399426  
Email: pvis@pvis.nl

### Dutch Seafood Marketing Bureau

Ms. T. Sintnicolaas  
P.O. Box 72  
NL-2280 AB, Rijswijk  
The Netherlands

Tel: +31.70.3369655  
Fax : +31.70.3392950  
Email: [info@dutchfish.nl](mailto:info@dutchfish.nl)  
Internet: <http://www.dutchfish.nl>

### Netherlands Association for the Trade in Dried Fruit, Spices and allied Products (NZV)

(involved in the trade of canned seafood)

Mr. W.H.G. Lucas, Secretary  
Bezuidenhoutseweg 82  
NL-2594 AX, The Hague  
The Netherlands

Tel: +31.70.3833011  
Fax: +31.70.2475253  
Email: [secretariaat@nzv-org.nl](mailto:secretariaat@nzv-org.nl)  
Internet: [www.zuidvruchten.nl](http://www.zuidvruchten.nl)

### Agricultural Economic Research Institute (LEI)

Fishery Department  
Mr. M.H. Smit  
P.O. Box 29703  
2502 LS, The Hague  
The Netherlands

Tel: +31.70.3358228  
fax: +31.70.3615624  
Email: [informatie@lei.wag-ur.nl](mailto:informatie@lei.wag-ur.nl)  
Internet: <http://www.lei.wageningen-ur.nl>

### Alaska Seafood Marketing Institute

Mr. A. Brown  
P.O. Box 14  
Guildford, Surrey, GU1 2RH  
United Kingdom

Tel: +44.014.8341.6136  
fax: +44.014.8342.6662  
Email: [abrown@alaskaseafood.org](mailto:abrown@alaskaseafood.org)

## Private Label

The private label market in the Netherlands appears to be increasing. Many shoppers would like to see a wider variety of private label products in supermarkets. Although private label brands are a major force in the seafood market, there is a clear trend towards growth of strong, appealing branded products as well. For more information on the annual Private Label Manufacturers Association-Trade Show and private labels in general, please contact:

PLMA International Council

Mr. C. Dumpé

World Trade Center

Strawinskylaan 671

NL-1077 XX Amsterdam

The Netherlands

Tel: +31 20 575 3032

Fax: +31 20 575 3093

Internet: [www.plma.com](http://www.plma.com)

**MSC Labeled Seafood**

Consumer surveys indicate that consumers prefer product quality over taste and health aspects. Sustainability, environmental and animal welfare play an increasingly important role. Consumer interest in MSC labeled seafood is growing, although many believe that these products would be expensive. For more information on MSC labeled seafood, please contact:

Marine Stewardship Council

Ms. H. Khawam

119 Altenburg Gardens

London SW11 1JQ

United Kingdom

Tel: +44.020.7350.4000

Fax: +44.020.7350.1231

Email: [Hilary.Khawam@msc.org](mailto:Hilary.Khawam@msc.org)

Internet: [www.msc.org](http://www.msc.org)